I CLAIM:

1. A bill acceptor for a gaming machine, the bill acceptor comprising a receiving zone for receiving a bill;

a sensing device at an input region of the receiving zone for sensing at least one characteristic of the bill;

a controller in communication with the sensing device for receiving an output signal from the sensing device; and

an annunciator controlled by the controller to be activated when a bill acceptance rate of the controller drops below a predetermined threshold.

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- 2. The bill acceptor of claim 1, in which the receiving zone incorporates a platen on which the bill is received and a slot at an end of the platen into which the bill is to be inserted.
- 15 3. The bill acceptor of claim 2, in which the sensing device is arranged inwardly of the slot.
 - 4. The bill acceptor of claim 1, in which the sensing device senses at least one of optical, magnetic and dimensional characteristics of the bill.

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- 5. The bill acceptor of claim 2, in which the receiving zone includes an attracting means for indicating to a patron where the bill is to be inserted into the slot.
- 25 6. The bill acceptor of claim 5, in which the attracting means comprises an array of illuminating elements arranged in the platen of the receiving zone.
 - 7. The bill acceptor of claim 6, in which the annunciator is arranged in the receiving zone.

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8. The bill acceptor of claim 7, in which the controller causes the array of illuminating elements to be illuminated in a predetermined, first pattern and the annunciator is implemented in the form of an illumination of the illuminating elements in a second, different pattern.

- 9. The bill acceptor of claim 8, in which the second pattern is activated after completion of the first pattern when the bill acceptance rate has dropped below said predetermined threshold.
- 5 10. The bill acceptor of claim 1, in which, when the controller is connected to a network, a network monitoring system monitors the acceptance rate of bills by the controller and activates an alarm means when the acceptance rate drops below the predetermined threshold.
- 10 11. A method of operating a bill acceptor of a gaming machine, the method including the steps of:

sensing at least one characteristic of a bill inserted into the bill acceptor;

monitoring a bill acceptance rate by a controller; and
activating an annunciator when the bill acceptance rate drops below a
predetermined threshold.

- 12. The method of claim 11, which includes energising illuminating elements of the bill acceptor in a predetermine pattern and, when the bill acceptance rate drops below said threshold, energising the illuminating elements in a second, different pattern, said second pattern of illumination of the illuminating elements serving as the annunciator.
- 13. The method of claim 12, in which the second pattern of illumination of the illuminating elements follows completion of the first pattern.
 - 14. The method of claim 11, which includes transmitting a signal on a network to which the gaming machine is connected to a network monitoring system to activate an alarm means when the bill acceptance rate drops below said predetermined threshold.